



ARMY ACQUISITION REFORM



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TOW Missile Conversion to Performance Specification Generates Savings

Total Acquisition Reform savings exceeded \$400,000 on the FY96 Tube Launched, Optically-Tracked Wire-Guided (TOW) missile production contract at the U.S. Army Missile Command (MICOM). These savings, based on a combined U.S. Foreign Military Sale and contractor direct sale quantity, resulted mainly due to the **conversion from a Technical Data Package to a Performance Specification**. The contract specific savings were only associated with processes and products unique to the TOW missile. Additional reform reductions, accomplished in coordination with Defense Contract Management Command - Hughes (Tucson, AZ), will be realized through plant-wide, common process reductions. MICOM awarded the contract to the Hughes Missile Systems Company in October 1996.

DOD Market Research Working Group (MWRG) ... Breaking New Ground

The DOD MWRG will define market research techniques that will yield optimum insertion of commercially available and non-developmental items into military systems. The working group has been chartered to develop guidance and training on market research and recommend market research methodologies for DOD. An initial task of the group, which includes representatives of the U.S. Army Missile Command Research, Development and Engineering Center, encompasses developing, reviewing and coordinating a market research handbook for DOD.

Army to Save \$80M on T700 Engine Components

The Aviation Research Development and Engineering Center (AVREC) and Systems Research Laboratories (SRL) Inc. agreed to a contract for SRL to develop an Eddy Current Inspection Station (ECIS) for seven flight critical engine components for the T700-GE-700 engine. This effort is to take 14 months at a cost to the Army of \$2,358,316. Upon completion of the program, the Army will be able to continue the use of engine parts instead of having to throw them away. **This continued use will save the Army upwards of \$80 million dollars over a period of ten years.**